

**TESTIMONY OF INSPECTOR GENERAL CHARLES C. MADDOX, ESQ.
BEFORE THE COMMITTEE ON GOVERNMENT OPERATIONS
OVERSIGHT HEARING ON THE "REPORT OF INVESTIGATION
OF FUNDRAISING ACTIVITIES OF THE EXECUTIVE OFFICE
OF THE MAYOR"**

APRIL 9, 2002

GOOD AFTERNOON, CHAIRMAN ORANGE AND MEMBERS OF THE COMMITTEE ON GOVERNMENT OPERATIONS. I APPRECIATE THE OPPORTUNITY TO TESTIFY BEFORE THE COMMITTEE CONCERNING THE REPORT OF INVESTIGATION OF FUNDRAISING ACTIVITIES OF THE EXECUTIVE OFFICE OF THE MAYOR. SEATED WITH ME ARE AUSTIN ANDERSEN, MY PRINCIPAL DEPUTY; JERRY CAMPANE, DEPUTY FOR INVESTIGATIONS; AND KAREN BRANSON, GENERAL COUNSEL.

I WILL COMMENT FIRST ON THE PURPOSE OF THE INVESTIGATION AND LIMITATIONS ON MY TESTIMONY HERE THIS AFTERNOON.

PURPOSE

OUR REPORT OF INVESTIGATION HAS THE FOLLOWING OBJECTIVES, WHICH ARE SET FORTH IN THE EXECUTIVE SUMMARY PRECEDING THE REPORT:

- (1) TO PROVIDE FACTS ABOUT THE NATURE OF THE FUNDRAISING ACTIVITIES OF THE EOM SO THAT THE MAYOR AND CITY

COUNCIL CAN DETERMINE THE EXTENT TO WHICH REGULATORY
AND/OR LEGISLATIVE REFORMS ARE NECESSARY;

- (2) TO MAKE OBSERVATIONS AND RECOMMEND CHANGES WITH
REGARD TO MAYOR'S ORDER 2002-2 AND MEMORANDUM 2002-1,
WHICH WERE ISSUED PRIOR TO THIS REPORT AND PROVIDED A
CORRECTIVE FOR GOVERNMENT FUNDRAISING BY DISTRICT
GOVERNMENT EMPLOYEES;
- (3) TO RECOMMEND THAT APPROPRIATE AGENCIES TAKE
ADMINISTRATIVE ACTION AGAINST CURRENT EMPLOYEES FOR
VIOLATIONS OF STANDARDS OF CONDUCT IN THE D.C.
PERSONNEL MANUAL (DPM); AND
- (4) TO REFER THE FULL TEXT OF THIS REPORT TO THE UNITED
STATES ATTORNEY AND OTHER LAW ENFORCEMENT AGENCIES
WITH JURISDICTION TO DETERMINE IF THIS REPORT CONTAINS
INFORMATION THAT HAS PROSECUTORIAL MERIT.

AS I HAVE ADVISED YOU PRIOR TO THIS HEARING, I MUST LIMIT MY
COMMENTS CONCERNING THE DETAILS OF THE REPORT TO THOSE THAT
MY OFFICE HAS RELEASED TO THE PUBLIC. SPECIFICALLY, THE PUBLIC
VERSION DOES NOT CONTAIN THE FOLLOWING:

- FACTS OR REFERENCES TO MATTERS THAT HAVE BEEN REFERRED TO THE UNITED STATES ATTORNEY FOR THE DISTRICT OF COLUMBIA;
- INFORMATION REGARDING POTENTIAL CRIMINAL AND ADMINISTRATIVE PROCEEDINGS THAT, IF DISCLOSED, COULD COMPROMISE THE INTEGRITY OF FUTURE INVESTIGATIONS AND ADJUDICATIONS OF OTHER ENFORCEMENT AGENCIES, BOTH FEDERAL AND DISTRICT;
- INFORMATION THAT COULD CREATE AN UNWARRANTED INVASION OF PRIVACY TO INDIVIDUALS SUBJECT TO THESE INQUIRIES;
- INFORMATION THAT MIGHT IMPAIR THE BUSINESS REPUTATIONS OF PRIVATE ENTITIES; AND
- CONFIDENTIAL INFORMATION PERTAINING TO LAW ENFORCEMENT SOURCES AND PROCEDURES WHICH ARE PROTECTED FROM PUBLIC DISCLOSURE BY THE IG STATUTE (*SEE* D.C. CODE § 2-302.08 (b-1)).

IN GENERAL, IT IS THE POLICY OF MY OFFICE – AND OTHER LAW ENFORCEMENT AGENCIES – NOT TO RELEASE INFORMATION FROM AN INVESTIGATION THAT IS PART OF, OR MAY RESULT IN, A PROSECUTION. AS YOU KNOW, MUCH OF THE INFORMATION CONCERNING POSSIBLE MISCONDUCT OF SPECIFIC INDIVIDUALS HAS ALREADY BEEN REFERRED TO THE APPROPRIATE ENFORCEMENT AGENCIES IN ACCORDANCE WITH PURPOSES 3 AND 4 OF THIS INVESTIGATION.

BECAUSE I UNDERSTAND THAT THE PUBLIC INTEREST IN THIS INVESTIGATION IS STRONG AND BECAUSE I BELIEVE THAT THERE IS A NEED TO MAKE INSTITUTIONAL REFORMS IN THE WAY FUNDRAISING IS CONDUCTED IN THE DISTRICT, I DECIDED TO PROVIDE A LIMITED DISCLOSURE OF INFORMATION TO THE GENERAL PUBLIC BUT A FULL DISCLOSURE TO POLICYMAKERS AND HEADS OF ENFORCEMENT AGENCIES. I WAS DISAPPOINTED TO LEARN THAT SENSITIVE AND POTENTIALLY HARMFUL INFORMATION FROM THE FULL REPORT HAS BEEN LEAKED TO THE MEDIA, AND I WILL NOT ADD TO OR COMMENT ON THOSE DISCLOSURES.

DESPITE MY INABILITY TO DISCUSS MATTERS RELATED TO LAW ENFORCEMENT, IT IS WHOLLY APPROPRIATE TO DISCUSS WHAT I BELIEVE TO BE THE ONE OF THE MOST SIGNIFICANT FINDINGS OF THE REPORT WHICH FALLS UNDER THE JURISDICTION OF THE COUNCIL AND THE EXECUTIVE BRANCH – THAT THE ENACTMENT OF NEW LAWS AND REGULATIONS IS NECESSARY TO PREVENT THE RECURRENCE OF THE PROBLEMS ENCOUNTERED IN THIS INVESTIGATION.

FINDINGS AND RECOMMENDATIONS

THE INVESTIGATION RESULTED IN NUMEROUS SPECIFIC FINDINGS REGARDING VIOLATIONS OF ETHICAL STANDARDS, THE HATCH ACT, AND

PROCUREMENT LAW. IN ADDITION, THE INVESTIGATION REVEALED A GENERAL FAILURE TO ADHERE TO THE LAWS GOVERNING THE SOLICITATION AND RECEIPT OF DONATIONS TO THE DISTRICT GOVERNMENT. OUR REPORT ALSO DETAILS 16 GENERAL FINDINGS, AND I WILL NOTE SOME OF THE MOST SIGNIFICANT ONES PERTAINING TO THE MAYOR'S OFFICE HERE:

- MAYOR WILLIAMS AND HIS EXECUTIVE STAFF DID NOT PROPERLY SUPERVISE AND MANAGE SUBORDINATE PERSONNEL ENGAGED IN FUNDRAISING ACTIVITIES FOR THE EVENTS INVESTIGATED BY OUR OFFICE TO ENSURE THAT THESE ACTIVITIES WERE CONDUCTED IN ACCORDANCE WITH LEGAL STANDARDS.
- THE ONLY LEGAL AUTHORITY AVAILABLE FOR GOVERNMENT EMPLOYEES TO SOLICIT FUNDS FOR OFFICIAL PURPOSES IN THE AMOUNTS AND BY THE METHODS USED BY THE MAYOR'S OFFICE IS THE GIFT ACCEPTANCE AUTHORITY SET FORTH IN THE ANNUAL APPROPRIATIONS ACT FOR THE DISTRICT OF COLUMBIA. HOWEVER, THIS LAW REQUIRES THE GOVERNMENT TO ACCOUNT FOR ALL DONATIONS RECEIVED AND TO MAKE A RECORD OF THESE DONATIONS AVAILABLE FOR PUBLIC INSPECTION AND AUDIT. ESSENTIALLY, THESE REQUIREMENTS PROVIDE NECESSARY SAFEGUARDS TO PREVENT THE MISUSE OF DONATIONS AND TO PROVIDE PUBLIC NOTICE REGARDING AUGMENTATION OF THE LEVEL OF DISTRICT GOVERNMENT APPROPRIATIONS. IN NONE OF

THE EVENTS INVESTIGATED IN OUR REPORT DID WE FIND THAT THESE MANDATORY ACCOUNTING AND DISCLOSURE REQUIREMENTS WERE FOLLOWED.

- IN ADDITION, WE FOUND THAT NONE OF THE \$1.5 MILLION RAISED FOR THE DISTRICT GOVERNMENT WAS EVER PLACED INTO THE DISTRICT TREASURY WHERE IT COULD ACCRUE INTEREST AND BE PROPERLY ACCOUNTED FOR. RATHER, DONORS PAID EVENT VENDORS DIRECTLY OR RAISED FUNDS WERE DEPOSITED DIRECTLY INTO THE ACCOUNTS OF PRIVATE ENTITIES. THESE PRACTICES BYPASSED DONOR DISCLOSURE REQUIREMENTS AND AVOIDED SAFEGUARDS INHERENT IN THE PROCUREMENT PROCESS.
- IN SUM, THE PRACTICE OF SOLICITING LARGE SUMS OF MONEY FROM DONORS THAT HAD BUSINESS RELATIONSHIPS WITH THE DISTRICT GOVERNMENT, WHERE ACCOUNTING AND PUBLIC DISCLOSURE SAFEGUARDS WERE NOT FOLLOWED, CREATED AN APPEARANCE OF IMPROPRIETY AND ALSO NEGATIVELY IMPACTED THE PUBLIC'S CONFIDENCE IN THE INTEGRITY OF GOVERNMENT OPERATIONS.

ANOTHER SIGNIFICANT FINDING FROM OUR INVESTIGATION IS THE FAILURE OF THE DISTRICT GOVERNMENT TO PROMULGATE REGULATIONS OR INTERNAL POLICY DELINEATING PROCEDURES FOR ENSURING THAT THE ACCEPTANCE OF OFFICIAL GIFTS IS DONE ACCORDING TO THE LAW

THAT MADE SUCH GIFTS PERMISSIBLE IN 1992. WHEN CONGRESS GRANTED GIFT ACCEPTANCE AUTHORITY TO THE DISTRICT AND MANY FEDERAL AGENCIES, THE FEDERAL AGENCIES WERE REQUIRED BY THE ETHICS IN GOVERNMENT ACT TO ESTABLISH INTERNAL POLICY TO IMPLEMENT THIS AUTHORITY. THE ETHICS IN GOVERNMENT ACT IS NOT APPLICABLE TO THE DISTRICT, AND NO SIMILAR ATTEMPT TO ADDRESS THE DISTRICT'S GIFT AUTHORITY WAS MADE BY THE DISTRICT GOVERNMENT UNTIL JANUARY 2002, WHEN MAYOR WILLIAMS ISSUED MAYOR'S ORDER 2002-2 DURING THE TIME THIS INVESTIGATION WAS UNDERWAY. IT IS IMPORTANT TO NOTE THAT THE ABSENCE OF CLEAR GUIDANCE IN THE FORM OF REGULATIONS OR POLICY TO IMPLEMENT THE DISTRICT GOVERNMENT'S GIFT ACCEPTANCE AUTHORITY BY EXECUTIVE AND LEGISLATIVE BODIES CREATED AN ENVIRONMENT WHEREBY NONE OF THE INVOLVED EMPLOYEES FULLY UNDERSTOOD THEIR APPROPRIATE RESPONSIBILITIES WITH REGARD TO OFFICIAL FUNDRAISING.

MAYOR'S ORDER 2002-2 ACKNOWLEDGES THAT THE DISTRICT'S ANNUAL APPROPRIATIONS ACT PROVIDES THE ONLY AUTHORITY FOR AUGMENTING THE DISTRICT'S BUDGET THROUGH THE USE OF PRIVATE RESOURCES. FURTHERMORE, THE ORDER CREATES A NEW OFFICE TO ENFORCE MANDATORY ACCOUNTING AND DISCLOSURE SAFEGUARDS. AS WE FOUND IN OUR REPORT, THE CREATION OF POLICY SUCH AS THAT CONTAINED IN THIS ORDER AND ITS ACCOMPANYING MEMORANDUM IN

1992 MIGHT HAVE AVOIDED MUCH OF THE CONFUSION AND EVEN MISCONDUCT ENCOUNTERED IN OUR FUNDRAISING INVESTIGATION.

WHILE WE CONSIDER THIS POLICY A GOOD START, AS NOTED IN THE RECOMMENDATIONS SECTION OF THE REPORT, WE HAVE MADE A NUMBER OF OBSERVATIONS. SOME OF THESE ARE SUMMARIZED AS FOLLOWS:

- WE RECOMMEND THAT THE MAYOR’S MEMORANDUM BE AMENDED TO PROVIDE DEFINITIONS OF PRIVATE FUNDRAISING AND OFFICIAL FUNDRAISING TO ENABLE EMPLOYEES TO UNDERSTAND WHEN THEY ARE ACTING IN THEIR OFFICIAL RATHER THAN IN THEIR PERSONAL CAPACITIES. THIS IS NECESSARY IN ORDER TO APPLY THE STANDARDS OF CONDUCT THAT REFER TO GIFT ACCEPTANCE BY DISTRICT GOVERNMENT EMPLOYEES. MODEL LANGUAGE FOR THESE DEFINITIONS CAN BE FOUND IN THE FEDERAL STANDARDS OF CONDUCT FOR EMPLOYEES, 5 CFR § 2635.808 (FUNDRAISING ACTIVITIES).
- THE MAYOR’S ORDER SHOULD PROVIDE GUIDANCE CONCERNING LIMITATIONS ON THE VALUE OF DONATIONS AND THEIR FREQUENCY, AS IS THE CASE WITH LAWS REGULATING THE CONSTITUENT SERVICES FUND AND POLITICAL FUNDRAISING. AS WITH OTHER TYPES OF FUNDRAISING, LIMITATIONS ON AMOUNTS SOLICITED FROM ORGANIZATIONS THAT HAVE A FINANCIAL

INTEREST IN THEIR RELATIONSHIP WITH THE DISTRICT GOVERNMENT HELPS DISPEL AN APPEARANCE THAT FAVORABLE TREATMENT WOULD BE GIVEN TO LARGE DONORS.

- “PARTNERING” MUST BE MORE CAREFULLY DEFINED AND REGULATED IN ORDER TO AVOID THE SAME CONFUSION AND MISCONDUCT THAT WE FOUND IN THIS INVESTIGATION, SUCH AS THE SOLICITATION OF FUNDS ON BEHALF OF AND IN THE NAME OF NON-PROFIT ORGANIZATIONS; TRANSFERRING FUNDS FROM PRIVATE ENTITY PARTNERS INTO GOVERNMENT CUSTODY; TAKING CONTROL OF THE MANAGEMENT, FINANCIAL ACCOUNTING AND/OR ADMINISTRATION OF PRIVATE ENTITIES; AND SOLICITATION OF FUNDS THROUGH A PRIVATE ENTITY FOR NONOFFICIAL PURPOSES.
- RULES FOR *SOLICITING* FUNDS SHOULD BE MORE STRINGENT THAN FOR THOSE GOVERNING THE ACCEPTANCE OF AN UNSOLICITED GIFT. THE ACCEPTANCE OF GIFTS GIVEN *SUA SPONTE* AND THE SOLCITATION OF MONEY BY GOVERNMENT OFFICIALS ARE TWO DISCRETE FUNCTIONS, WITH THE LATTER IMPLICATING SEVERAL ETHICAL AND LEGAL RISKS, SUCH AS EXERTING UNDUE PRESSURE ON DONORS, PROMISING OR IMPLYING SPECIAL TREATMENT, OR IGNORING A CONFLICT OF INTEREST. THESE RISKS ARE NOT LESSENERED BY THE FACT THAT MOST DONORS WHO ARE LIKELY TO CONTRIBUTE TO THE DISTRICT GOVERNMENT ARE THOSE WHO CONDUCT BUSINESS WITH OR ARE REGULATED BY THE DISTRICT

GOVERNMENT. AGAIN, THE FEDERAL MODEL IS INSTRUCTIVE. SOLICITATION IS NOT COMMON AMONG FEDERAL AGENCIES; INDEED, SOME FEDERAL AGENCIES WITH GIFT ACCEPTANCE AUTHORITY PROHIBIT SOLICITATION ALTOGETHER, SOME LIMIT SOLICITATION TO CHARITABLE CAUSES AND DISASTER RELIEF, AND OTHERS LIMIT THE AUTHORITY TO A SINGLE PERSON.

- DONATION AGREEMENTS SHOULD BE IN WRITING, SHOULD REQUIRE CERTIFICATION THAT THE DONATION WILL BE USED TO FULFILL AN AUTHORIZED FUNCTION, AND SHOULD INDICATE WHETHER THE DONOR CONDUCTS BUSINESS, IS SEEKING TO DO BUSINESS WITH, OR IS REGULATED BY THE DISTRICT IF THE AGREED UPON DONATION IS OVER A CERTAIN DOLLAR VALUE. THE FORM SHOULD ALSO INDICATE WHETHER THE GIFT IS THE RESULT OF A SOLICITATION.
- THE MAYOR'S ORDER DOES NOT LIMIT TO WHOM OR UNDER WHAT CIRCUMSTANCES SOLICITATION OR GIFT ACCEPTANCE AUTHORITY MAY BE SUB-DELEGATED. THEREFORE, SUCH SUB-DELEGATION MAY, OVER TIME, BE GRANTED TO AGENCY HEADS AND MANY OTHER DISTRICT EMPLOYEES, POSSIBLY RESULTING IN A PROLIFERATION OF SOLICITING ACTIVITY BY EMPLOYEES WITH MINIMAL LEGAL AND ETHICS TRAINING. EVEN IN INSTANCES WHERE DISTRICT LAWS ARE FOLLOWED, THE NATURE, VALUE, OR

FREQUENCY OF SOLICITATIONS CAN AFFECT THE PUBLIC'S
CONFIDENCE IN GOVERNMENT.

- THE MAYOR'S ORDER IS NOT APPLICABLE TO ALL BRANCHES OF
THE DISTRICT GOVERNMENT WITH GIFT ACCEPTANCE AUTHORITY,
EVEN THOUGH ALL GIFT ACCEPTANCE DERIVES FROM THE SAME
FEDERAL LAW. IT IS RECOMMENDED THAT THE COUNCIL CONSIDER
MY RECOMMENDATIONS AS WELL AS THE MAYOR'S ORDER AS THE
BASIS FOR DISTRICT WIDE REGULATIONS COVERING GIFT
ACCEPTANCE.
- FINALLY, I RECOMMEND THAT THE MAYOR AND THE COUNCIL
REVISE THE DISTRICT'S STANDARDS OF CONDUCT IN ORDER TO
ESTABLISH CLEAR AND DEFINITIVE REGULATIONS REGARDING THE
PARAMETERS OF OFFICIAL GIFT ACCEPTANCE FOR DISTRICT
GOVERNMENT PERSONNEL. THIS REVISION MUST FULLY
DIFFERENTIATE HOW THE STANDARDS DIFFER WITH RESPECT TO
GIFT ACCEPTANCE IN AN EMPLOYEE'S PERSONAL CAPACITY.

THE INVESTIGATIVE PROCESS

AT THIS TIME, I WOULD LIKE TO COMMENT ON OUR INVESTIGATIVE
PROCESS AND TAKE THIS OPPORTUNITY TO ADDRESS SOME INCORRECT
PERCEPTIONS CONCERNING THE COST AND DURATION OF THIS
INVESTIGATION. AS YOU KNOW, THIS INVESTIGATION LASTED
APPROXIMATELY 13 MONTHS AND INVOLVED 19 INVESTIGATORS AND

SEVERAL EXECUTIVE STAFF MEMBERS. THE COST OF THE INVESTIGATION WAS NOT – AS PUBLICIZED IN THE MEDIA - \$5 MILLION, WHICH IS NEARLY HALF OF OUR BUDGET. INSTEAD, THE COST OF THIS INVESTIGATION WAS LESS THAN \$1 MILLION. THIS ESTIMATE IS BASED ON STAFF SALARIES, PRINTING COSTS, AND THE COSTS OF TRANSCRIBING LENGTHY INTERVIEWS WITH WITNESSES. WE DID NOT USE THE RESOURCES OF OUR AUDIT DIVISION, THE INSPECTIONS AND EVALUATIONS DIVISION, AND THE MEDICAID FRAUD CONTROL UNIT FOR THIS INVESTIGATION.

THE INVESTIGATION REQUIRED ALMOST 300 INTERVIEWS, WITH MANY SIGNIFICANT WITNESSES PARTICIPATING IN MULTIPLE INTERVIEWS INTO THE FINAL MONTHS OF THE INVESTIGATION. WE SERVED 115 SUBPOENAS, ACCESSED MORE THAN 13,000 EMAILS, AND REVIEWED APPROXIMATELY 280,000 DOCUMENTS, MANY OF WHICH WERE FINANCIAL RECORDS REQUIRING DETAILED ANALYSIS.

IN FACT, OTHER INVESTIGATIONS OF SIMILAR COMPLEXITY COMMONLY REQUIRE EVEN MORE THAN A YEAR TO COMPLETE. IN THIS CASE, HOWEVER, THERE WERE SEVERAL FACTORS THAT IMPEDED OUR PROGRESS. TWENTY-NINE INDIVIDUALS REFUSED INITIALLY TO BE INTERVIEWED (NONE ARE CURRENT DISTRICT GOVERNMENT EMPLOYEES), TWENTY-THREE INDIVIDUALS RETAINED ATTORNEYS TO REPRESENT THEM BEFORE THEY WOULD SUBMIT TO AN INTERVIEW, AND

EIGHT INDIVIDUALS REQUIRED CERTAIN LEGAL ASSURANCES FROM THE UNITED STATES ATTORNEY BEFORE THEY WOULD COOPERATE WITH US. SOME DONORS AND FORMER AND CURRENT DISTRICT EMPLOYEES WHO PARTICIPATED IN SOLICITATION ACTIVITIES WERE PARTICULARLY RELUCTANT TO BE FULLY COOPERATIVE AND FORTHRIGHT. AS THIS COUNCIL IS AWARE, LAST YEAR I SUBMITTED TO YOU A LEGISLATIVE PROPOSAL TO CRIMINALIZE ORAL FALSE STATEMENTS KNOWINGLY MADE TO OUR INVESTIGATORS. OUR EXPERIENCE WITH WITNESSES WHO REFUSED TO MAKE TRUTHFUL STATEMENTS WAS AN UNFORTUNATE REMINDER THAT INVESTIGATIONS CONDUCTED BY THIS OFFICE WILL CONTINUE TO BE DELAYED AND IMPEDED UNNECESSARILY AS LONG AS PEOPLE BELIEVE THEY CAN LIE TO US WITH IMPUNITY. TAKEN TOGETHER, ALL OF THESE FACTORS MADE IT EXTREMELY DIFFICULT TO ASCERTAIN THE FACTS AND OBTAIN VITAL INFORMATION THAT COULD BE USED FOR OUR ANALYSIS IN A TIMELY MANNER.

FROM THE ONSET AND THROUGHOUT THIS INVESTIGATION, WE SOLICITED THE ADVICE AND COUNSEL OF THE UNITED STATES ATTORNEYS OFFICE, AND THIS REPORT HAS BEEN REFERRED TO THEM AND OTHER ENFORCEMENT AGENCIES FOR FURTHER ACTION AS APPROPRIATE. TO BE SURE, THE FINDINGS RELATED TO CRIMINAL AND ADMINISTRATIVE SANCTIONS AGAINST SPECIFIC INDIVIDUALS SUSPECTED OF MISCONDUCT ARE IMPORTANT AND SHOULD BE

ADDRESSED PROMPTLY BY THE APPROPRIATE AUTHORITIES. PERHAPS MORE IMPORTANTLY, HOWEVER, I HOPE THAT THIS INVESTIGATION ALSO OFFERS TO THE MAYOR, THE COUNCIL, AND THE PUBLIC A BETTER UNDERSTANDING OF THE SPECIFIC INSTITUTIONAL DIFFICULTIES IDENTIFIED IN THE REPORT. I BELIEVE THE MOST IMPORTANT DIFFICULTIES INCLUDE THE FOLLOWING: 1) INADEQUATE AND CONFUSING LAWS AND REGULATIONS GOVERNING THE ACCEPTANCE OF GIFTS TO THE DISTRICT GOVERNMENT ; 2) THE LACK OF ETHICS TRAINING; AND 3) IMPROPER OVERSIGHT BY MANAGEMENT.

FROM THIS PERSPECTIVE, ONE OF THE GOALS OF THIS REPORT IS TO HELP FACILITATE THE DEVELOPMENT OF REGULATORY AND LEGISLATIVE REFORMS NECESSARY TO CLEARLY DEFINE THE APPROVAL PROCESS FOR GIFT ACCEPTANCE. FURTHERMORE, WE HOPE THAT RESPONSIBLE OFFICIALS WILL PLACE LIMITATIONS ON SOLICITATION OF FUNDS IN ORDER TO REDUCE THE RISK OF BEHAVIOR THAT IMPAIRS THE CONFIDENCE OF THE PUBLIC IN THE INTEGRITY OF THIS GOVERNMENT.

THIS CONCLUDES MY TESTIMONY, AND I WILL BE HAPPY TO ANSWER QUESTIONS OR PROVIDE INFORMATION, AS APPROPRIATE, AT THIS TIME.